

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT is entered into as of April 23, 2012, by and between Regents of the University of Minnesota, a Minnesota constitutional educational corporation (the "University"), on behalf of its Department of Intercollegiate Athletics on the Twin Cities campus ("the Department"), and Norwood Teague ("Athletic Director"). The term "University" includes the President of the University (or designee). This Agreement is subject to and effective upon approval by Regents of the University.

WHEREAS, subject to the terms and conditions of this Agreement, the University desires to employ Athletic Director as its Director of the Department, and Athletic Director is willing to accept such position and perform such services and duties;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement and such other good and valuable consideration, the receipt and sufficiency of which the parties hereby acknowledge, the parties agree as follows:

I. EMPLOYMENT TERM AND DUTIES

1.1. Term. Subject to the terms and conditions of this Agreement, the University hereby employs Athletic Director as the Director of the Department and Athletic Director agrees to be so employed by the University, for a term commencing on July 1, 2012 and ending on June 30, 2017 (the "Term of Employment"). For purposes of this Agreement, the term "Year 1" shall mean the period during the Term of Employment commencing on July 1, 2012 and ending on June 30, 2013. Each successive and remaining Year of the Agreement shall begin on July 1 of a calendar year and end on June 30 of the following calendar year.

1.2. Duties.

1.2.1. During the Term of Employment, Athletic Director shall report to the President or such other person as the President shall designate. Athletic Director shall diligently and conscientiously devote his full time, attention, and best efforts in performing and discharging the usual and customary duties of an athletic director of a NCAA Division I intercollegiate athletics program, including, but not limited to, the following duties:

- a. Supervise all head coaches and administrative personnel, including, without limitation, subject to the rules and regulations of the University, reviewing the performance for all University employees who report to Athletic Director, setting compensation

for the Department employees, and hiring, promoting, demoting or terminating any such employee in accordance with applicable University policy;

- b. Develop and administer the annual budget for the Department, subject to the approval of the President;
- c. In conjunction with the Director of Athletics Compliance and the Office of the General Counsel, ensure the Department's compliance with the rules and regulations of the University and the rules and regulations of any Governing Association as defined below in Section 1.4, including, without limitation, policies regarding academic standards;
- d. Ensure the Department's compliance with Title IX, including, without limitation, development and implementation of a long-term gender-equity plan;
- e. Conduct and supervise the relationship and presentation of the Department to the media, including, without limitation, radio and television appearances;
- f. Direct, lead, and organize the Department's fund raising and public relations, including, without limitation, substantially increasing the annual fund and endowment for the Department;
- g. Direct, lead, and organize the Department's public relations and promotions and marketing efforts;
- h. Serve on, and represent the University on all appropriate athletic governing or oversight bodies and any Governing Association, as defined below in Section 1.4; and
- i. Perform such other duties as directed by the President.

1.2.2. Athletic Director shall not engage in any other business activity or be employed by any other person, firm, or entity, whether or not such activity is pursued for gain, profit, or other pecuniary benefit, without the prior written consent of the President.

1.2.3. Athletic Director shall not undertake commercial endorsements without the prior written consent of the University. Athletic Director shall not engage in any activity, if identified as the Director of the Department, that directly or indirectly implies approval or endorsement of any good or service, including, but not limited to, the wearing of garments which display a

manufacturer's trademark, name, or other logo, unless such activity is consistent with University contracts or is first approved in writing by the University.

1.2.4. Athletic Director shall not appear on radio, television, or any other media in return for a fee, in cash or in kind, without the prior written consent of the University.

1.3. Classification. Athletic Director's employment is a professional appointment subject to the University of Minnesota Academic Professional and Administrative Policies and Procedures (Policies and Procedures), as the same may be amended from time to time. In the event of a conflict between the terms of this Agreement and the terms of the policies and procedures, the terms of this Agreement shall govern.

1.4. Compliance. Throughout the Term of Employment, Athletic Director shall comply with the current and hereafter enacted or promulgated laws, policies, rules, and regulations of and governing the University and its employees and the current and hereafter enacted or promulgated constitution, bylaws, and rules and regulations of the National Collegiate Athletic Association ("NCAA"), the Big Ten Conference ("Big Ten"), the Western Collegiate Hockey Association ("WCHA"), and any other conference or organization with which the University becomes associated or which affects intercollegiate athletics (collectively, the "Governing Associations;" individually, a "Governing Association"). Athletic Director hereby acknowledges and Athletic Director certifies that he is familiar with the rules, regulations, and policies of each Governing Association and will work collaboratively and cooperatively with Director of Athletics Compliance to educate the employees and students in the Department of such rules, regulations and policies, and to enforce strictly in the Department all such rules, regulations, and policies. Athletic Director shall promptly report to the Director of Athletics Compliance all reported violations of such rules, regulations, and policies involving him or any employee, coach, head or assistant, student, alumnus or representative of the University's athletic interests.

II. COMPENSATION

2.1. Base Salary.

2.1.1. Subject to the terms of this Agreement, for all services rendered by Athletic Director to and on behalf of the University, for the Term of Employment, the University shall pay Athletic Director an annual base salary of Four hundred Thousand and no/Dollars (\$400,000.00). From time to time during the Term of Employment and subject to University policies, the President may adjust such annual salary amount.

2.1.2. All compensation hereunder shall be paid in accordance with the University's regular payroll procedures for professional and administrative employees, and shall be subject to withholding for applicable federal, state, and local income taxes, federal social security taxes, and other applicable taxes and deductions.

2.2. Benefits. Except where inconsistent with the terms of this Agreement, the University shall provide Athletic Director with a benefit program as provided generally for its professional and administrative employees as described in the Policies and Procedures. The University will pay for reasonable moving expenses in accordance with University policy.

2.3. Incentive Compensation. Each Year, Athletic Director shall be eligible for incentive compensation based on a plan to be agreed between the Athletic Director and the President in an amount not to exceed \$100,000 per year if all the milestones in the plan are achieved. The plan shall address but not be limited to academic success, competitive success, compliance achievement, and management achievements. The University shall deliver to Athletic Director payment for such incentive compensation for a Year after the University has determined the amount of such payment and that the conditions for such payment have been met, including Athletic Director's compliance with Sections 1.4 of this Agreement. Once incentives are determined, such incentives shall be paid to Athletic Director on June 30 of each Year of the Agreement, if the University employs Athletic Director on that date.

2.4 Supplemental Retirement The University shall, on behalf of the Athletic Director pay to the University of Minnesota Optional Retirement Plan, or to the extent such payment exceeds the contribution limits for such plan to the University of Minnesota 415(m) Retirement Plan (or appropriate successor plans) the following amounts:

- a. \$50,000 for 2013 vesting on June 30, 2017;
- b. \$50,000 for 2014, vesting on June 30, 2017;
- c. \$50,000 for 2015, vesting on June 30, 2017;
- d. \$50,000 for 2016, vesting on June 30, 2017;
- e. \$50,000 for 2017, vesting on June 30, 2017.

The amounts set forth above will be deposited on the vesting date and will vest on the date set forth above only if Athletic Director is employed by the University as its Athletic Director on the vesting date set forth above.

2.4. Travel. For each Year of the Term of Employment, the University shall make available to Athletic Director a maximum of Ten Thousand Dollars (\$10,000.00) for University-related personal travel of Athletic Director's family, friends, and business associates to and from University intercollegiate athletic events. All expenses charged against this fund shall be documented. Athletic Director has no right to any unused portion of the fund at the end of any Year. The University also shall provide Athletic Director with travel at no charge for up to four (4) people on any Intercollegiate Athletic Team charter flight, subject to seat availability.

2.5. Automobile. Subject to University policy applicable generally to its coaches of intercollegiate athletics, the University shall provide Athletic Director with an automobile throughout the Term of Employment.

2.6. Other Non-Cash Compensation. Subject to availability, the University shall make available to Athletic Director, for his personal use, no less than two and no more than ten season tickets for all University Intercollegiate Athletic Teams charging admission to their games or matches.

2.7. Tax Consequences. Athletic Director recognizes and understands that there may be personal tax consequences attributable to Athletic Director as a result of the incentives and perquisites provided in Sections 2.2 through 2.7, above; complimentary tickets and other compensation; benefits; and amenities associated with Athletic Director's employment as athletic director of the University, and that Athletic Director is personally responsible for any and all such taxes.

III. TERMINATION

3.1. The University's Right to Terminate for Cause. The University may terminate this Agreement, suspend payments required hereunder, or take other disciplinary action as it deems appropriate for just cause. "Just cause" as used in this Agreement shall include, but not be limited to, the following:

- a. a serious violation, as determined by the University, of a rule of a Governing Association by or involving Athletic Director;
- b. a major violation of a rule of a Governing Association by persons in the Department or representatives of the University's athletic interests, as determined by the University, which, in the judgment of the University, Athletic Director knew or should have known about with reasonable diligence and oversight;
- c. multiple secondary violations, as determined by the University, of the rules of a Governing Association by programs in the Department in comparison to the University's history prior to the date of this Agreement of such reported violations;

- d. a substantial failure to perform the duties required by Section 1.2 of this Agreement; or
- e. a violation of any policy of the University or law involving moral turpitude.

3.2. The University's Right to Terminate Without Just Cause. The University may terminate this Agreement at any time without just cause upon 90 days written notice to Athletic Director. In the event of such termination, the University shall pay Athletic Director the base salary amount under Section 2.1.1. of this Agreement for the remainder of the Term of Employment. If such payment is made, Athletic Director hereby waives his rights under the rules, policies, and practices of the University, including, without limitation, the Policies and Procedures, to grieve or otherwise contest the termination.

3.3. Alternative Assignment. The University may review Athletic Director's performance annually or at any time during the Term of Employment. During such Term, the University may, with or without cause, reassign Athletic Director to duties at the University's Twin Cities campus other than those of the Director of the Department by delivering to Athletic Director a written notice of reassignment (a "Notice of Reassignment"). Within thirty (30) days from the date of his receipt of a Notice of Reassignment, Athletic Director shall notify the University in writing whether he accepts such reassignment. If Athletic Director does not so accept such reassignment, then this Agreement shall terminate effective the thirty-first (31st) day after such receipt without further obligation whatsoever of either party.

The University may reassign the Athletic Director to duties at the University's Twin Cities campus for the remainder of his appointment with a title and duties other than Director of the Department. The reassigned position shall require skills commensurate with skills required of Athletic Director when functioning as Director of the Department. Athletic Director hereby waives his rights under the rules, policies, and practices of the University, including, without limitation, the Policies and Procedures, to grieve or otherwise contest the reassignment under this Section.

3.4. NCAA Enforcement Provisions. (NCAA Bylaw 11.2.1). Notwithstanding any other provision of this Agreement to the contrary, Athletic Director and the University stipulate that if Athletic Director is found in violation of any NCAA rule or regulation, he is subject to disciplinary or corrective actions as set forth in the provisions of the NCAA enforcement procedures.

3.5. Procedure. In the event of any proposed disciplinary action, the President shall give Athletic Director, orally or in writing, notice of the allegations and an opportunity to present, in person, information relating to the allegations. If the

President then determines that discipline is appropriate, President shall, in writing, notify Athletic Director of the discipline and the reasons therefore.

3.6. Limited Liability. Subject to the terms of this Agreement, in no event shall the University be liable for the loss by Athletic Director of any bonuses, benefits, perquisites, or income, including, but not limited to, those arising out of or relating to consulting relationships, camps, clinics, media appearances, or from any other sources whatsoever, that may ensue as a result of the University's breach or termination of this Agreement, unless otherwise expressly stated herein.

IV. PROVISIONS OF GENERAL APPLICATION

4.1. Agreement Renewal. Prior to the end of the term of this Agreement, Athletic Director will be given notice of the renewal or non-renewal of this Agreement and the terms of the renewal. If the Agreement is not renewed, Athletic Director shall be given thirty (30) days notice of non-renewal and if such notice is not given thirty (30) days before the end of the term, the Agreement shall be extended to cover the notice period. This provision shall supersede all rights under University Policies and Procedures including, but not limited to, any notice requirements or layoff programs.

4.2. Report of Athletically Related Income. (NCAA Bylaw 11.2.2.) The University and Athletic Director hereby stipulate that Athletic Director shall annually provide to the President a written detailed account of all athletically related income and benefits from sources outside the University including, but not limited to, the following:

- a. Income from annuities;
- b. Sports camps;
- c. Housing benefits (including preferential housing arrangements);
- d. Country club memberships;
- e. Complimentary ticket sales;
- f. Television and radio programs; or
- g. Endorsement or consultation contracts with athletic shoe, apparel or equipment manufacturers.

In addition, Athletic Director shall comply with University of Minnesota Policies and Procedures regarding "Outside Consulting and Commitments by Intercollegiate Athletic Staff." The policies and procedures include, but are not limited to, receiving prior approval of any endorsement of a product or service, use of University trademarks and outside consulting commitments.

4.3. Notices/Administration. All notices, requests, and other communications from one of the parties to the other shall be in writing and, except as otherwise provided herein, shall be considered to have been duly given or served if sent by United States mail, first-class, certified or registered, postage pre-paid, return receipt requested, to the respective party at his or its address set forth below or to such other address set forth below or to such other address as such party may hereafter designate by notice to the other:

As to Athletic Director: Norwood Teague, Athletic Director

As to the University: President
University of Minnesota
200 Morrill Hall
100 Church Street SE
Minneapolis, MN 55455

Office of the General Counsel
360 McNamara Alumni Center
200 Oak Street SE
Minneapolis, MN 55455

4.4. Amendment. Any amendment to this Agreement shall be in a writing executed and delivered by the parties.

4.5. Parties In Interest/Assignment. This Agreement shall be binding upon and the benefits and obligations provided for herein shall inure to the parties hereto and their respective heirs, legal representatives, successors, assigns, transferees or donees, as the case may be. No portion of this Agreement shall be assignable without the prior written consent of the other party.

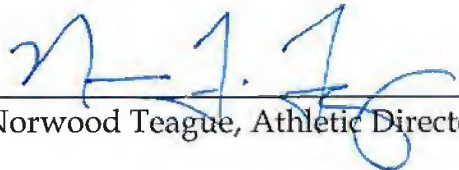
4.6. Effect of Prior Agreements. The parties intend this Agreement as the final and binding expression of their contract and agreement and as the complete and exclusive statement of the terms thereof. This Agreement supersedes and revokes all prior negotiations, representations, and agreements, whether oral or written, relating to the subject matter hereof.

4.7. Enforceability. If any provision contained herein shall be deemed or declared unenforceable, invalid, or void, the same shall not impair any of the other provisions contained herein, which shall be enforced in accordance with their respective terms. This Agreement shall bind the University only if and after its approval by the University's Board of Regents.


4.8. Construction. The headings preceding and labeling the sections of this Agreement are for the purpose of identification only and shall not in any event be employed or used for the purpose of construction or interpretation of any portion of this Agreement. No waiver by any party of any default or nonperformance hereunder shall be deemed a waiver of any subsequent default or nonperformance. As used herein and where necessary, the singular shall include the plural and vice versa, and masculine, feminine and neuter expressions shall be interchangeable.

4.9. Applicable Law. The laws of the state of Minnesota shall govern and be applicable to this Agreement and any construction or interpretation thereof.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed as of the date first shown above.

By: 
Norwood Teague, Athletic Director

Dated: 4/23/12

By: 
Eric W. Kaler
President of the University of Minnesota

Dated: 4/23/12